

• nemzetközi kitekintés

Lorina Buda – Boglárka Koller – Attila Kovács – Attila Marján
– Anna Molnár – Zoltán Szenes – Ilona Szuhai
(Coordinated and edited by: Attila Marján)

EUROPEAN POLICY OVERHAUL – A SECTORAL ASSESSMENT

A cikk az Európai Unió legfontosabbnak ítélt kihívásait értékeli. Amellett, hogy ismerteti az egyes vizsgálati területeken az utóbbi néhány év legfontosabb reformlépéseit, a további teendőkre, azok realitásának, illetve hatásainak elemzésére helyezi a hangsúlyt.

A cikk két részre oszlik. Az első rész az EU kiemelt belső politikáit és jellemzőit értékeli, a második a világban elfoglalt helye szempontjából fontos szakterületeket.

Az első rész az alábbi szakterületeket veszi vizsgálat alá:

- Euróválság, válságkezelés, makrogazdasági és pénzüpiaci reformok.
- Az EU költségvetésének reformja annak érdekében, hogy az jobban illeszkedjen a 21. századi realitásokhoz és az állampolgári elvárásokhoz.
- A regionális politika és a közös agrárpolitika reformja.
- Energiapolitika és energiaunió.
- A mélyreható reformokhoz elengedhetetlen európai identitás, illetve annak hiányának értékelése és kilátásainak vizsgálata.

A második rész az alábbi területekkel foglalkozik:

- Az európai hadsereg kérdése és védelempolitika.
- Az európai közös kül- és biztonságpolitika.
- Bevándorláspolitikai.

Az egyes részeket a terület elsőrangú szakértői írták meg, akiknek közös meggyőződése, hogy a fenti szakterületeken van nemcsak lehetőség, de szükség is az előrelépésre annak érdekében, hogy az európai projekt sikeres maradjon. Ennek a szerzők szerint két minimumfeltétele van: egyrészt meg kell őriznie nemzetközi relevanciáját mind gazdasági, mind geopolitikai szempontból, másrészt közelebb kell kerülnie az európai állampolgárok elvárásaihoz. Az ezt elősegítő legfontosabb reformelképzeléseket ismertetik, illetve saját elképzelésekkel is kiegészítik egy közös cikkben.

The European Union has a remarkably charged political agenda having to face a turbulent world. Russia is more and more assertive, there is a probably prolonged military crisis in Ukraine, the political and military situation is escalating in Europe's southern and south-eastern neighbourhood with imminent impact on Europe's societies. The spectre of Grexit reflects the fact that there are fundamental flaws in the Euro project as far as its long-term sustainability is concerned which necessitates further political and economic policy reforms at EU level. Brexit on the other-hand (although the UK's case is admittedly extreme) is a clear indication of popular disenchantment from the idea European integration. The above factors indeed hinder coordinated actions to counter the ever-stronger popular sentiment and well-articulated political agendas that question the usefulness of European integration and sometimes even the basic European values. European institutions and member states suffer to focus on and face these challenges including the rising anti-European and in some cases anti-democratic tendencies that will pose significant risks to European integration in the medium-term.

• • • • •

A new geopolitical order is on the rise. *Pax Americana* has started to give way to a new world order whose defining features are very unpredictable but which most probably be a more unstable one than the one we live in today due to the major rearrangement of the global equilibrium following the rise of new powers, and with a potentially significant level of hostile competition between the key actors. Inside the EU major new geopolitical dynamics are gathering importance which includes a quasi-dominant role of Germany, a weakening France, a UK drifting away and in general a more and more heterogeneous and multiple-speed EU with institutions still in the process of self-redefinition. European economies and societies under pressure will probably be more susceptible to anti-EU sentiment and propaganda.

Based on the above premises, it seems obvious that the EU needs a way more unified diplomatic approach to global political developments and clear political stance on the final boundaries of the Union; a stronger capacity to exercise hard power; European army; a stronger and more unified internal security policy; a more effective immigration policy and policies to make integration successful; an institutional and political setup and an economic policy framework that guarantees the long-term survival of the common currency, including a separate Eurozone budget; a new budgetary arrangement, a budget with a new approach that reflects this policy overhaul including the phasing out of controversial policies such as CAP and a fundamental reform of the cohesion policy and introducing a revenue that creates ownership in the society in relation to the European project; a true energy union and a co-ordinated energy-diplomacy and finally a stronger sense of ownership and self-identification of European citizens with the European project in order to make these reforms achievable with the necessary level of public support.

The German and the French economy ministers made a plea in June 2015 to establish a significantly more united Eurozone,¹ and thereby a two-speed Europe. They claim: “we have to launch an economic and social union by agreeing on a new, staged process of convergence that would involve not only structural reforms (labour, business environment) and institutional reforms (functioning of economic governance) but also social and tax convergence where necessary (consistent, though not necessarily equal, minimum wages, and a harmonised corporate tax).” They also advocate a separate Eurozone budget to underpin the reinforced EU-core. “A eurozone-level budget ... is a feature of any functioning monetary union. This budget would have its own revenues (for instance a common financial transaction tax, as well as a small portion of a harmonised corporate tax) and would provide for borrowing on that basis.” They focus mainly on the Eurozone and economic issues but they add rightly: “Strengthening the euro is not only about the Eurozone. It cannot be isolated from a broader rethinking of the EU. These changes would create a Eurozone architecture that increasingly relies on common institutions. To make its institutions work, however, Europe will need to address its democratic deficit as well as its executive one. A better functioning Europe also requires a stronger sense of community. Institutional legitimacy arises from closer links between citizens. Hence, we need to strengthen our *affectio societatis*.” They clearly state at the end of their paper: “A stronger Eurozone should be the core of a deepened EU.”

The authors of this paper share this view. This paper however will not restrain its thematic focus only on economic issues, it rather elaborates on several other aspects that seem decisive for the establishment of a better-functioning Union that reflects global realities and challenges on the one hand and meets expectations of its citizens. To this end, the following aspects of EU policy will be given as assessment: defence and military policy; foreign and security policy, immigration policy (Europe and the world), moreover economic and budgetary issues including the Common Agricultural Policy and Cohesion Policy and the question of European identity and the European demos.

1. THE EU ITSELF

1.1. Economic policy and budget-related issues

More than five years have passed since the outbreak of the financial crisis. Many institutional changes and reforms have been undertaken since then. The crisis brought to light serious shortcomings in the existing framework of European financial market supervision too, so the EU was forced to act in this area. Prudential supervision at EU level has been reinforced to help coordinate the work of national regulators and ensure EU-level rules are applied consistently [European Systemic Risk Board (ESRB), European Banking Authority (EBA), Eu-

1 A Joint article by Emmanuel Macron and Sigmar Gabriel, see: <http://www.theguardian.com/commentisfree/2015/jun/03/europe-france-germany-eu-eurozone-future-integrate>

ropean Insurance and Occupational Pensions (EIOPA), European Securities and Markets Authority (ESMA), European System of Financial Supervision (ESFS)].

The present crisis has shown quite well that the integrity of the internal market may be threatened by the fragmentation of the financial sector. The EU banking market came under extreme pressure, several major financial institutions went bankrupt. Therefore in 2012 the European Commission launched Banking Union, which started to operate in 2014.

The financial crisis soon turned into a sovereign debt crisis threatening the monetary union as a whole. Responding to the debt crisis two temporary funds, the European Financial Stabilisation Mechanism (EFSM) and the European Financial Stability Facility (EFSF) with a total lending capacity of E500 billion were set up as an immediate response. European Stability Mechanism (ESM) was created in 2012 as a long term solution for immediate crisis management.

The Stability and Growth Pact (SGP) the legal and procedural guarantor of sound public finances, proved insufficient to sustain sound public finances in EU and Eurozone member states. Therefore the so-called Fiscal Compact was adopted which reinforces the rules of SGP although its practical functioning leaves a lot to desire. It sets out an automatic procedure for imposing penalties in case of breaches of either the 3% deficit or the 60% debt rules. The ‘Six-Pack’, the ‘Two-Pack’ have also brought additional improvements to the framework for fiscal policies in the EMU. European Semester is a yearly cycle of economic policy co-ordination. At the end of the cycle, the EU addresses specific reform recommendations to each country.

Despite all these reforms and progress the Eurozone is still largely unfinished. Therefore the so-called five Presidents’ report published in June 2015 sets out an action plan for the major reforms in EU economic governance. It builds on the previous report “Towards a Genuine Economic and Monetary Union”² and on the Commission’s Blueprint for a Deep and Genuine EMU³ of 2012. The five Presidents – European Commission President Jean-Claude Juncker, together with the President of the European Council, Donald Tusk, the President of the Eurogroup, Jeroen Dijsselbloem, the President of the European Central Bank, Mario Draghi, and the President of the European Parliament, Martin Schulz lay down a plan for strengthening Europe’s Economic and Monetary Union.⁴

The Report sets out three different stages to complete the European economic union:

1. 1 July 2015 – 30 June 2017: Deepening by doing: boosting competitiveness and structural convergence, completing the Financial Union, achieving and maintaining responsible fiscal policies at national and euro area level, and enhancing democratic accountability.
2. After 2017: Completing EMU: more far-reaching actions will be launched to make the convergence process more binding.
3. Final stage: at the latest by 2025, including a level of political union.

2 Van Rompuy, Herman (2012): Towards a Genuine Economic and Monetary Union http://www.consilium.europa.eu/uedocs/cms_Data/docs/pressdata/en/ec/134069.pdf

3 European Commission (2012): Blueprint for a Deep and Genuine EMU http://ec.europa.eu/archives/commission_2010-2014/president/news/archives/2012/11/pdf/blueprint_en.pdf

4 Juncker, Jean-Claude (2015): Completing Europe’s Economic and Monetary Union. http://ec.europa.eu/priorities/economic-monetary-union/docs/5-presidents-report_en.pdf

In spring 2017 the Commission will prepare a “white paper” in order to ensure the transition between stage one and stage two. Member States have to accept increasingly joint decision-making on their national budgets and economic policies. With the below four areas of action, according to the intent of the Report, the EMU will complete at the latest by 2025:

- a genuine Economic Union,
- a Financial Union,
- a Fiscal Union,
- a Political Union.

To make a genuine Economic Union a reality, a reinforced Macroeconomic Imbalance Procedure, stronger coordination of economic policies and also a stronger focus on employment and social performance are needed immediately. New institutions are required also, such as an independent Competitiveness Authority.

The cornerstone of the Financial Union is completing the Banking Union. Banking Union has four major elements: Single rulebook for the European financial market; Single Supervisory Mechanism (SSM); Single Resolution Mechanism (SRM), supported by a Single Resolution Fund (SRF) and a fiscal backstop; Deposit Guarantee Schemes (DGS). Currently only the Single rulebook, SSM and SRM are operating. SRF and DGS have to be set up by 2017. To achieve a real financial union a capital markets union is required also by the end of the first stage.

Fiscal Union requires sound and coordinated budgetary policies in member states. To ensure this a European Fiscal Board is inevitable, which would coordinate and complement already existing national fiscal councils. In Stage 2, a common macroeconomic stabilisation function should be set up to better deal with shocks that cannot be managed at the national level alone. A euro area treasury is also advocated by the Report.

On the way to a political union strengthening democratic accountability, new institutions and higher level of legitimacy are required. Therefore greater parliamentary involvement and control and strengthening the role of the Eurogroup are recommended by the leaders of the EU.

The Report is clearly a major step towards a more federal economic union, although not as ambitious as some might have expected. It is the view of the authors of this paper that more ambitious policy actions are necessary. The economic crisis brought to light the structural problem of the Eurozone and the European integration. A Monetary Union without an economic and political union is not sustainable. In order to guarantee the longevity of the Eurozone, the following measures and reforms seem inevitable: making Eurozone exit legally possible, moreover creating exit procedures; establishment of a Eurozone budget of 3-5% of Eurozone GDP to use as macroeconomic buffer as suggested by the recent Franco-German contribution.

1.1.1. General budgetary issues

One has to bear in mind that the EU budget (as of today) is not only small but is not at all designed to tackle macroeconomic shocks and crisis in a monetary union which needs a puffer

for shocks and a stable transfer pool which can be deployed in a prompt manner (this may even include pan-Eurozone social benefit schemes as well. The introduction of a European tax by unionizing a certain percentage point of national VAT rates and thereby finishing with member state membership fee should be envisaged. The annual EU budget is €142bn (2014 figures) – a large sum in absolute terms, but only about 1% of the GDP generated by EU economies every year. Traditionally own resources usually represent about 12% (10,14% in 2013) and the VAT-base related own resource about 10% (9,38% in 2013) of the total budget. At present European budget is financed mostly by member states through a membership or rather ownership fee. Citizens are completely detached from the act of contributing to the common EU budget. “No representation without taxation”. A budget-neutral (both for citizens and member states) solution is to be found. Moreover in order to strongly safeguard national budgetary discipline a Eurozone finance minister with defined veto rights over national budgets is to be nominated therefore allowing for Eurobond issuance. The ESM should be transformed into a proper European Monetary Fund and the Banking Union should be established in its entirety.

Most of the above measures are already envisaged in EU initiatives such as “Towards a genuine economic and monetary union” which claims that a true economic union should improve the economic situation, thereby stimulating growth, reducing the threats to social peace and narrowing the economic gap within the EU. The crisis has revealed the high level of interdependence and spill-overs between euro area countries, therefore a deeply integrated economic policy framework is necessary, a monetary union alone cannot function properly with 28 different fiscal policies.

1.1.2. Cohesion Policy and the Common Agricultural Policy

Whether or not a separate Eurozone budget is established (there is a very high probability of this happening at some point) the EU28 budget needs an overhaul to mirror global realities, true European needs and expectations of the societies of EU member states. A radical decrease in the common agricultural policy spending coupled with a major overhaul of the cohesion policy on one side and much bigger budgetary emphasis on key areas such as defence, immigration and European-identity related issues are needed.

From the 2014-2020 financial framework the EU devotes 376bn € to cohesion policy. Cohesion policy's relevance for worse-off member states is evident, nevertheless the efficiency and usefulness of regional policy funds is a controversial issue. The level of dead-weight in EU-fund use is very high; moreover they often contribute to corruptive practices. Therefore a radical rationalization of the cohesion policy spending and raising more possibilities for rapid suspension in case of misuse, fraud or corruption is inevitable in order to guarantee the meaningful application of this policy.

The European Union spends 373 billion EUR⁵ on the Common Agricultural Policy between 2014–2020. Although it indicates an 11% decrease compared to the previous EU programming period, CAP still has one of the highest shares – 38,9% – in the total EU budget until 2020. Approximately three quarters of the CAP budget are devoted to market related expenditures and direct payments, while one quarter to rural development. CAP budget has decreased in relative terms in the EU budget since the mid-1980s. The 2013 MFF decision earmarks a historic turning point in this process: the CAP budget in absolute figures decreased for the first time in EU's history. The 2008 financial crisis as well as the current economic and social crisis in the EU could have triggered a much more fundamental change in the structure and financing of the CAP. Since 1962 CAP has aimed at contributing to the economic, environmental and territorial development of the EU. However, in its current form it fails to address these challenges appropriately. Therefore a radical reshaping of the structure and financing of the CAP seems to be inevitable. A fundamental reform of the CAP should take into account the following considerations in line with the increasing deprivation of EU population, increasing gap between EU-15 and EU-13 Member States as well as citizens' expectations towards the best use of EU money.

The social dimension of the CAP shall be strengthened by allocating more resources to food security programmes for the most deprived. In the EU, there are approximately 3.8 billion EUR earmarked for the Fund for the European Aid for the Most Deprived for the 2014–2020 period.⁶ This amount is less than 1% of the CAP budget. Rural development pillar of the CAP shall be integrated into the 'Smart, inclusive growth' heading of the current MFF. Most of these resources – at least a dedicated envelope – shall be spent on fostering rural entrepreneurship, SME development, agricultural innovation and social economy.⁷

In line with the recent efforts that have been taken to eliminate the unbalanced and unjust distribution of CAP money among Member States and farmers,⁸ the equal treatment of farmers throughout the EU shall be ensured from 2020.⁹ A drastic cut in the amount of direct payments shall be exercised: the greening component¹⁰ shall be deleted. The amount spent on green measures shall be used to generate public goods via more investment in social economy and building high-speed IT infrastructure in all rural territories of Europe. Nevertheless, the complete abolition or renationalisation of the CAP is undesirable as it could lead to a 'support competition' among MSs, causing an acceleration of job losses in rural areas as well as a decline in agricultural production in many member states with increasing food prices.

5 Commitment appropriations, 2011 prices; Source: European Commission

6 FEAD is not financed by the CAP envelope.

7 Unlike the current situation when most of the funding is spent on rural infrastructure and village renewal.

8 for example, capping of the amount CAP payments per farmer

9 Expressed in the amount of payments per hectare.

10 30% of the Direct Payments

1.1.3. Energy union and energy diplomacy

The EU imports 53% of its energy at a cost of around EUR 400 billion, which makes it the largest energy importer in the world. Six Member States depend on a single external supplier for their entire gas imports and therefore remain extremely vulnerable to supply shocks. 94% of transport relies on oil products, 90% of which is imported. Collectively the EU spends over EUR 120 billion per year – directly or indirectly – on energy subsidies, often not justified. Over EUR 1 trillion need to be invested into the energy sector in EU by 2020 alone. Wholesale electricity prices for European countries are 30% higher than in the US, while wholesale gas prices are still more than twice as high as in the US.¹¹ At the same time EU companies have a share of 40% of all patents for renewable technologies. Here the challenge is to retain Europe's leading role in global investment in renewable energy.

The European energy system faces an ever more pressing need to ensure secure, sustainable, affordable energy for European citizens and industry. Excessive dependence on a limited number of supply sources, especially for natural gas, leaves countries vulnerable to supply disruptions. This dependence on fossil fuels should be significantly decreased.

The proposed European Energy Union¹² should ensure this. The Energy Union is based on the three long-established objectives of EU energy policy: security of supply, sustainability and competitiveness. To reach these objectives the Energy Union focuses on five mutually supportive dimensions: Energy security, solidarity and trust; the internal energy market; energy efficiency as a contribution to the moderation of energy demand; decarbonisation of the economy; and research, innovation and competitiveness.

In order to make sure that energy related actions at European, regional, national and local level all contribute to the Energy Union's objectives in a coherent way, a reliable, transparent and integrated governance system for the Energy Union will be launched. The governance should secure the attainment of the objectives of the Energy Union, notably the implementation of the internal energy market and the delivery of the 2030 Framework for Climate and Energy. It should also provide long-term investor certainty.

Dependency on often unreliable and sometimes hostile energy suppliers is clearly a geopolitical risk for the EU, therefore – besides energy market reforms – the EU should strengthen its diplomatic coordination on energy issues otherwise it remains vulnerable to geopolitical blackmail. The energy union will be an important step in the right direction but much remains to be done especially on the international aspects of the EU's energy policy.

1.2. European identity

An increasing majority of the EU citizens feel that the EU is dealing mostly with non-salient issues that are far from their everyday problems. The challenges facing the European

11 <http://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:52015DC0080&from=EN>

12 COMMUNICATION FROM THE COMMISSION: A Framework Strategy for a Resilient Energy Union with a Forward-Looking Climate Change Policy / COM/2015/080 final /

Union internally and globally, however, would require a more unified Europe. Nevertheless, the latest developments of European integration indicate that the EU lacks many of its citizens' support. The necessity of bottom-up processes and the activation of European citizens have never been so timely as today. Thus, the greatest challenge today is to fulfil Europe's longstanding wish: to be loved by European citizens. Jean-Jacques Rousseau once said, that "Love of the country is a hundred times more passionate than what you feel for your lover...." Such a deep emotional attachment to the common Europe as the one described by Rousseau is unimaginable in the EU at the moment. Some level of positive attachment, however, should be developed if we do not want to forget about our common achievements and let the Eurosceptic, anti-EU sentiments prevail. This new European identity with emotional content, however, should not be developed in place of any national or other (regional, local) attachments but parallel, strongly connected to them. It should be a new, additional element, a kind of strong "glue" in the multiple structure of individuals' identity-net. To be loved by European citizens is not only the dearest wish but also a prerequisite for the future existence of the project.

Identity-building is not a static but a dynamic process: it is a continuous self-definition. Foremost what we, Hungarians, Germans, Slovaks, French and Italians think about Europe and our European identity is a reflection of what others think about us, or how others define us. All this takes place in the cultural sphere. It is only through cultural interaction that we can generate positive messages out of our diversity and at the same time find some elements of our commonality.

If we look around in Europe, we find an extremely heterogeneous picture. On the one hand, we all know that the Irish and Catalan culture – both the high and the popular – are more different than similar, but on the other hand we would all agree that Shakespeare, Beethoven, Picasso, Mozart, U2 or the Rubik Cube belong to our common European heritage. We have a thin layer in our cultural identity where we are all different, but we also have one where we share common values like humanism, the rule of law, democracy and human dignity. These latter elements constitute our "Europeanness". Most of us take them for granted and do not think of them at all in our everyday life. Only if we happen to travel outside Europe do we start to appreciate them much more. These elements of our Europeanness are, however, not suitable for making Europe look sexy, lovable and full of emotional content.

We should not forget, however, that the European identity is an identity of a constructed nature.¹³ European integration started as an elite-driven project in the 1950s. Although it gained widespread support among the European public later, the role of the social and political elites in developing and running integration has remained significant until today. European elites initiated the gradual establishment of European identity in the 1970s and since then the European Community has made great efforts to establish the legal and political framework, a common cultural policy as well as the symbols for the sake of a common identity. The Declaration on European Identity in 1973, the Tindemans report in 1976 and

13 On constructivism in identity formation See Hobsbawm, Eric & Ranger, Terence (1983): *Invention of Tradition*. Cambridge University Press

the Adonnino report in 1984 were all signs of an increased interest on the side of the EC to establish a direct link between the individuals and the Community, though it was not until the beginning of the 1990s when the concept was involved in the founding treaties of the Union. The Maastricht Treaty introduced the concept of “Citizenship of the Union” in 1991. Article 8 declares that “Every person holding the nationality of a Member State shall be a citizen of the Union”. Although this Article declares that citizens have both rights and duties, the rights declared by the Treaty were very limited compared to the national citizenship concepts. Article 128 of the Maastricht Treaty furthermore states that “The Community shall contribute to the flowering of the cultures of the member states, while respecting their national and regional diversity and at the same time bringing the common cultural heritage to the fore.” The Union’s ambition to support the establishment of a common identity can be seen in subsequent legal documents. The entire second chapter of the Amsterdam Treaty is dedicated to the “Union and its Citizens”. The Charter of Fundamental Rights, declared in Nice in 2000 represented another major step in establishing a direct link between the Union and its citizens, though it did not become legally binding until the Lisbon Treaty entered into force in 2009. Nevertheless, the Lisbon Treaty did not incorporate the Charter into the text, but made it legally binding by declaring that it has the same legal value as the Treaties.

Beyond the structural elements, the European Union strived to create the symbolic elements of the common identity. The blue flag with the golden stars “representing the union of the peoples of Europe”; the anthem, Beethoven’s 9th Symphony; “Europe Day” on the 9th May; and the common currency, the Euro; all symbolise a sense of belonging to the EU.

Consequently, since the 1970s, the European leaders have made great efforts to establish the legal and political framework, as well as the symbols (the flag, the anthem, the common currency, ‘Europe day’) for the sake of a common identity. As a result of this Europe has become an element of the collective attachments within the multiple structures of EU citizens’ identities. These endeavours, however, have merely led to the construction of EU identities of a civic nature.

The Eurobarometer surveys regularly measure the EU citizens’ national and European identifications. On the basis of the last twenty years’ survey results, it can be said that the EU citizens have in general incorporated the “European dimension” into the multiple structures of their collective identities. With the exception of some short periods of time (spring 1987 and spring 1990), the number of EU citizens who felt to some extent that they are EU citizens, too, outnumbered the number of those who felt being only citizens of their nations.¹⁴ It should be, moreover, emphasized that the trend has not been significantly changed due to

14 On the multiple character of European identity See Risse, Thomas: Neofunctionalism, European identity, and the puzzles of European Integration. *Journal of European Public Policy* 12 (2): 291–309., 2005; Salazar, Jose Miguel: Social Identity and National Identity. In Worchel, S., Morlaes J.F., Paez, D., Deschamps, J.C.: *Social Identity*. SAGE, Publications, London, 1998; KONRÁD György: A sokemeletes tudat. *Európai Szemle*, VII. évf, 3. szám, 1997.

the negative effects of the economic and financial crisis either; almost six out of ten Europeans feel to some extent a European citizens as opposed to four who do not.¹⁵

In the same vein, when evaluating the existence of the civic pole in the European Union, the level of trust in the European and national institutions could be measured.

With regard to the last ten years' data, the trust in EU institutions, i.e. in the European Parliament and the European Commission was in general higher than in their national counterparts. In each surveyed period, the number of people who trusted the EU institutions outnumbered those that distrusted them. With regard to the European Parliament, the absolute majority of the surveyed people answered that they trust the EP. The opposite could be concluded on the trust in national institutions, with the exception of the year 2002, in all of the surveyed period, an absolute majority of the EU citizens distrusted their national parliaments and their national governments. Apparently, the trust level in the European institutions was generally higher than in national institutions, which is a sign that European citizens became parts of a bigger, supra-national political community.¹⁶

The attitude of European citizens toward the European Union, however, has changed significantly in the last five years. While with the exception of the year 2003, until the autumn 2009, more people trusted the EU in general as opposed to those that distrusted it; from the spring 2010 on those who did not trust the Union outnumbered the people who trusted the EU. Moreover, since then, in each surveyed period the majority of European citizens have answered that they do not trust the Union, which is a clear sign of the loss of credibility in the supranational political community.¹⁷

Trust can be regained, when European governance works effectively, its institutions are credible and when the Union is capable to provide answers to the most salient issues in Europe; those that affect the life of EU citizens.

But all this would probably not be sufficient either. The common European identity should be built not just on institutions and the legal system (civic identity) but also on culture.¹⁸

Who has felt close to Europe so far? Who has been part of the European project? Politicians, intellectuals, academics and civil servants. Ordinary citizens, who are the first and foremost building bricks of Europe have not been looked upon as the core component and participant of the European project, but as some kind of a target group that has, from time to time, needed to be communicated to. What have not been created yet are the positive emotions attached to Europe. Emotions like love, pride or happiness.

Europe does not know how to do this. There are numerous arguments why people do not and cannot understand Europe. Because Brussels is too far. Because the nature of the institutional system is very different from member states democracies. Because the EU does not

15 Eurobarometer 17, 26, 27, 30, 31, 33, 37, 40, 42, 43, 44, 46, 47, 49, 50, 52, 53, 54, 56, 57, 58, 59, 60, 61, 62, 66, 73, 76, 77, 80.

16 Eurobarometer 57-80.

17 Eurobarometer 57-80.

18 Koller Boglárka: The fading civic identity of EU nationals. With a special focus on the East-Central Europeans. In Attila Ágh, László Vass (eds.): *European Futures. The perspectives of the new member states in the new Europe*. Budapest College of Communication.

deal with bread and butter issues, such as maternity leave or unemployment benefit. But what can people understand? What can they identify themselves with? This is one of the greatest challenges of Europe.

In this respect, the human side of the common European project should be focused on. People are much more interested in people than in complicated institutional structures, boring processes and legal documents. Europeans are interested in Europeans. How they live, what they like and dislike, what they eat, wear, say or debate... and in particular in an everyday context. Moreover, they are also interested in the leading personalities of EU politics. Just imagine: it would be particularly interesting to read about the Commission President's daily routine, his Vice President's summer holidays or stories in the Brussels' buildings. A little gossip, some chatting, personalized stories would do Europe good. The medium through which this can be put into practice is culture. Not only high culture but also the various means of popular culture. Additionally, the newly invented channels of social media and influential "story-makers" like bloggers, commentators and reporters, play crucial roles in the process of imagination.¹⁹ Here, special attention should be given to young people – as they are the key to the future and they are also the people whose identity can be most affected.

2. EUROPE AND THE WORLD

2.1. *EU foreign and security policy*

The European Union is a unique institution, in which Member States voluntarily gave up national sovereignty in many areas to carry out common policies and governance. We have to emphasise that it is not a super-state to substitute sovereign states and MSs are not losing their sovereignty but sharing or pooling it. The EU cannot be viewed as a federation, an intergovernmental or international organisation; it is a different, *sui generis* institution. This duality of intergovernmental and supranational natures has influenced the process of integration since the beginning. Since the signing of the Maastricht Treaty CFSP has always been characterised by intergovernmentalism, the decision-making of Common Foreign and Security Policy and Common Security and Defence Policy are still dominated by the member states, common decisions are taken unanimously.

As these are new common policies of the EU the realisation of a real Common Foreign and Security Policy and a real Common Security and Defence Policy belongs to the hardest goals to be achieved. These are the most difficult fields to be unified and realised in a fully coherent way. The latest crisis situations (in Ukraine and in the Southern Mediterranean areas) showed that the EU is still not a real global player and without effective tools it has only a lower level of influence on the situation, which creates new security challenges and threats.

Following the unsuccessful initiatives (EPC, EDC) of the Post-war period it was obvious that the traditional diplomacy and foreign relations will stay in the member states' compe-

19 Anderson, Benedict (1991): *Imagined Communities, Reflections on the Origin and Spread of Nationalism*. Revised ed., Verso. Anderson, p. 6.

tence in order to protect one of the most important parts of their sovereignty. However, with the creation of the EEC, and the shift from foreign relations towards economic issues, the EC, as a major factor in the world economy, started to exercise an ever greater influence on its environment. As it is a normative or soft power,²⁰ when signing agreements, building foreign relations and executing its development policy the EU laid much stress (with a more or less success) upon the representation and dissemination of its shared values and the protection of universal human rights.

At the creation of the EEC, there was no hint at common foreign policy in the treaties. The customs union and the common market, however, resulted in an increasingly significant network of foreign relationships. The EC developed into a giant of world economy, and parallel to this wished to have a political role in international relations as well. This was hindered by the lack of a real common foreign policy. With the process of the European integration the necessity to establish the framework of cooperation in foreign policy became obvious.

Following the establishment of the Common Foreign and Security Policy of the European Union by the Maastricht Treaty on the basis of the European Political Cooperation this policy has started to develop rapidly. Although the successive modifications of the Treaties of the EU have created new positions and institutions (HR, or the EEAS) until now the EU is not really a global player due to the different foreign policy interests and viewpoints of the MSs, and for the EU it is still hard to speak in one coherent voice. The aim of the CFSP is to make the EU a global player of one voice, thus playing a role of greater influence in international relations. The general rule of unanimity in the field of CSFP makes the EU slower and ineffective.

Nowadays the external relations network of the EU can be described as the continuous interplay and development of at least four fields (1. trade policy, 2. development and aid policy, 3. the process of enlargement and the European Neighbourhood Policy, 4. the CSFP/CSDP).

In our days the initial sentence of the European Security Strategy (2003) is not appropriate any more: *“Europe has never been so prosperous, so secure nor so free”*. Although the review process of the security strategy and the European Neighbourhood Policy have been introduced and the HR has a clear mandate to do it, but the crisis in the EU’s Eastern and Southern neighbourhoods shows that not only the security strategy, but also the necessary foreign policy tools of the EU must be rethought as well in order to act rapidly, to use a truly comprehensive approach and to protect the shared values of the EU. Facing new challenges in an ever and increasingly changing security environment it is obvious that the EU needs a new Security Strategy in order to implement its foreign action tools comprehensively and increase the international credibility of the EU as a global and coherent actor.

20 Nye, Joseph S: *Soft Power: The Means to Success in World Politics*. New York: Public Affairs, 2004; Ian Manners: „Normative Power Europe: A Contradiction in Terms?,” *Journal of Common Market Studies*. 40, no. 2, 2002, pp. 235–58.

As the new president of the EC, Jean-Claude Juncker stated in his program the High Representative should “act like a true European Minister of Foreign Affairs”²¹ and thus the European External Action Service should play the role of the European Ministry of Foreign Affairs (with the need of a better division between foreign policy and security/defence policy and integrating more communitarian elements (such as ENP) in the activities of the EEAS). A true European Minister of Foreign Affairs would mean the strengthening of the use of the ‘Commissioner hat’ of this double hatted position (which has been started recently during the Juncker Commission). Parallel to the development of CFSP the role of the European Parliament, the only directly elected institution of the EU to scrutinize the EU’s foreign policy, should be strengthened (in the field of defence matters).

Certainly the whole EU is not ready to take part in the progress towards a deeper integration in the field of foreign and security policy, thus by promoting enhanced cooperation in the field of CFSP/CSDP the differences in the European Union may further increase.

2.2. Defence policy and the EU army

The Ukrainian crisis, the violent Russian foreign and security policy pointed out that the European Union needs *hard power* to externally authenticate its foreign policy and show seriousness about defending its values. Recently the President of the European Commission, Jean-Claude Juncker argued for the creation of / for creating a European army to face Russia and other new threats.²² It is not the first time that a Russian threat has led to calls for a European Army. In 1952, under the threat of the Korean War and the Soviet military preponderance, there was a suggestion to establish the European Defence Community (EDC), in order to create a joint military force under European control and command.²³ Unfortunately, the idea of the European Political Community (EPC) was refused by the French National Assembly in 1954. The vision of Joint European Forces was shelved by the primacy of national sovereignty, representation of national interests. German Chancellor Konrad Adenauer was right when he said in December 1952 that there was no common defence policy without a common foreign policy.²⁴

Today, however, *the EU has the common foreign and security policy and the common security and defence policy*. Discussing the defence agenda in December 2013, the EU Summit has called for greater responsibility for the defence budget and the development of the necessary military capabilities.

21 „My priorities.” As Commission President, I will set myself five priorities. <http://juncker.epp.eu/my-priorities>

22 Jean-Claude Juncker calls for the EU Army. The Guardian, 8 March 2015 <http://www.theguardian.com/world/2015/mar/08/jean-claude-juncker-calls-for-eu-army-european-commission-military> accessed at 10 March 2015

23 <http://www.britannica.com/topic/European-Defense-Community> accessed at 19 July 2015

24 Julian Lindley- French: The North Atlantic Treaty Organization. The Enduring Alliance. Routledge Global Institutions, London and New York, 2007. p. 26.

*The European defence capabilities have been gradually reduced over the years.*²⁵ 1 million 450 thousand soldiers served in the EU member countries in 2013, 500 thousand less than in 2006. This number is equal to the force of the United States, and one and a half times higher than the size of the Russian armed forces. At the same time, the EU countries spent only 190 billion euro (12% of total world spending) for the military, 1% less than the previous year. *From 2006 to 2013 the European defence spending declined by 15% (€ 32 billion), and was reduced to only 1.45% of the total GDP. The world military expenditure in 2013 totalled 1.747 billion \$, around 2.4% of World GDP. However, China (188 billion US \$) and Russia (88 billion US \$) continuously increase the military budget. 80% of the European defence spending allocated by the “big three” countries (France, Germany, United Kingdom), although each of them is reducing its defence budget. The military spending declined fell in most defence areas except few indicators (eg. Science & Technology). 59 thousand soldiers which make up 4% of the total armed forces took part in peacekeeping operations in 2013. Active engagement of the EU in crisis areas can be seen by the newly launched missions (EUCAP Sahel of Mali 2014, EUAM Ukraine, EUMAM RCA 2015) in 2014–2015. Although the EU officially has 485 thousand deployable and 110 thousand deployable and sustainable troops, the European forces capability to fight modern conventional warfare raises serious doubts. In the Wales NATO summit most of the European countries promised to increase the defence budget but only one country (Estonia) spends 2% of GDP on defence in 2015.*²⁶

On the road to developing the CSDP it was an important decision to create the European Defence Agency (2005) which coordinates the military capability development, research and technology and the European defence industry as well. In order to treat the unexpected conflicts the EU established the EU Battle Group concept, which became operational in 2007. Outside of the EU structure many international forms have been created to encourage the cooperation but none of them includes all member states. The EU has military headquarters, land, air and naval forces, which can be used as a rapid reaction force if political decisions are taken. The European Corps (Eurocorps) is not just a Command HQs in Strasbourg (FR) but it has assigned land force, too. The Corps Headquarters in Munster (GER) and Szczecin (POL) are also operationally prepared and gained experience in the ISAF Operation and NATO Reaction Force exercises. It would be no problem to subordinate 60 thousand strong Helsinki Headline Forces to them if the EU Council decides about it. The European Gendarmerie Force (Vicenza, ITL) was also tested in the Balkans and Afghanistan and can be used as an experienced military police force. The European Air Transport Command (EATC) located in Eindhoven (NL) carries out airlift and refuelling tasks for the member states. Although the European Maritime Force (EMF) is not a constant component, it is

25 Defence Data 2013. European Defence Agency. http://issuu.com/europeandefenceagency/docs/eda_defence_data_2013_web/1?e=4763412/12106343 accessed at 10 April 2015

26 Denitsa Ragnova, Ian Kearns: The Wales Pledge Revisited: A Preliminary Analysis of 2015 Budget Decisions in NATO Member States. European Leadership Network, Policy Brief, February 2015 <http://www.europeanleadershipnetwork.org/medialibrary/2015/02/20/04389e1d/ELN%20NATO%20Budgets%20Brief.pdf> accessed at 21 March 2015

ready for deployment within 5 days. *Therefore the EU has a peacetime military command structure and force, which could be the basis for a common European military force.*

The EU Treaty (Article 42) states²⁷ that the CSDP shall include the progressive framing of the common defence policy which can lead to a common defence, when the European Council so decides unanimously. It is not expected that all member states quickly accept this idea but the permanent structured cooperation in defence (PESCO) can be used to start stimulating the process.²⁸ However, to carry out the EU Army Concept it would be necessary to replace the British - French tandem used to be a locomotive in the past to build the CSDP to the Weimar Triangle. The current Eurosceptic UK cannot be the leader of the Single European Army Plan because it does not believe in the idea.

Once the Russian threat already mobilised the European decision-makers. In 1999, after the Kosovo Crisis the European Council agreed that the Union should have its own independent crisis management policy supported by strong and credible military force. At that time the goal was to create military responsiveness to international crises outside the EU. Today the requirement is to have military forces able to conduct large-scale conventional and hybrid warfare including protection of the territorial integrity of the member countries, if necessary.

The European Parliament took a big step forward when developed and adopted the Synchronized Armed Forces Europe (SAFE) concept in February 2009.²⁹ The SAFE idea aims to create joint civilian and military structures and forces under the EU leadership on a voluntary basis like the euro zone or the Schengen area were created. The plan would create a/the Defence Ministers Council and introduce a free service based European soldier status law. SAFE would be operated on joint training, tactics and procedures approved by the participating member states.

Although nothing was done in the past to implement the concept but the current Russian threat can help to dust off the politically already approved idea. Recently several multinational security solutions increased the trust towards the SAFE vision. In 2014 a Dutch brigade was subordinated to the German Rapid Response Forces HQs in peace time.³⁰ Other nations (Poland, Austria) are ready to join the new model, which is in harmony with the NATO 'framework nation' concept.

However, the progress in creating a Joint European Military Army depends not only on the vision but also requires patience, openness and continuous consultation, particularly

27 <http://www.lisbon-treaty.org/wcm/the-lisbon-treaty/treaty-on-european-union-and-comments/title-5-general-provisions-on-the-unions-external-action-and-specific-provisions/chapter-2-specific-provisions-on-the-common-foreign-and-security-policy/section-2-provisions-on-the-common-security-and-defence-policy/129-article-42.html> accessed at 19 July 2015

28 More Union in European Defence. Report of a CEPS Task Force, February 2015. Centre for European Policy Studies, Brussels, <http://www.ceps.eu/system/files/TFonEuropeanDefence.pdf> accessed at 19 July 2015

29 <http://www.telegraph.co.uk/news/worldnews/europe/eu/4689736/Blueprint-for-EU-army-to-be-agreed.html> accessed at 10 April 2015. The idea of „Synchronized Armed Forces Europe” (SAFE) was initiated by the former European Parliament's President, Hans-Gert Poettering and the EU Proposals were drafted by the former German MEP, Karl von Wogau.

30 <http://www.german-foreign-policy.com/en/fulltext/58798/print> 2014/11/05 accessed at 10 April 2015

with NATO. Perhaps, the European Force Concept is not very popular today, it encounters suspicious, hostile and distasteful views and opinions. Even our American Ally does not like it. But the EU Commission President is right: Europe should review its defence policy and institutions and to start building the new European Army gradually with a group of like-minded states. Fortunately, the European Council discusses the European defence issues in December 2015 again when decisions must be taken. Now it is time to act.

3. IMMIGRATION POLICY

The immigration policy of the European Union still has to solve the eternal paradox of the free movement and security. Immigration is a wide definition which includes legal means from entry, exercising rights, through stay – including work, study and family reunification – to return. Recently, illegal migration has been in focus in connection with immigration policy. As the Frontex³¹ published in 2014, detections of illegal border-crossing reached a new record, with more than 280,000 detections. The unprecedented number of migrants crossing illegally the external borders has roots in the fights in Syria, which has resulted in the worst refugee crisis since the Second World War. Indeed, most of the detections at the borders concerned migrants from Syria, who later applied for asylum within the EU. This “record” has several implications for border-control authorities and EU internal security.³²

In addition to the conflicts and humanitarian crises in the world, the current migration – the mass influx of Kosovars, the *migration crisis in the Mediterranean* i.e. mass smuggling of refugees from Libya to the European Union – has urged the EU to take strategic decisions and immediate measures to deal with the situation.

It is shocking that a record number of migrants will drown in the Mediterranean this year if the current death rate remains unchecked, since ten times as many migrants lost their lives during the first three months of 2015 as during the same period in 2014.³³ Generally, this year’s data show that the record will be broken. Since the beginning of the year some 153,000 migrants have been detected at Europe’s external borders. This represents a 149% increase compared to the same period in 2014 when 61,500 migrants entered Europe.³⁴

3.1. European Agenda on Migration

As Elisabeth Collett pointed out the complexity of the problem why successive five-year plans, that have been the centrepiece of the Union’s migration strategy since 1999 are no longer up to the challenge. Those elements are the absence of a coherent pre-existing working methodology to respond to disasters; absence of European leadership and coor-

31 European Agency for the Management of Operational Cooperation at the External Borders of the Member States of the European Union.

32 Frontex, Annual Risk Analysis 2015, <http://frontex.europa.eu/publications/>

33 <http://www.euractive.com/sections/development-policy/record-num>

34 <http://frontex.europa.eu/news/monthly-analysis-of-migratory-trends-may-2015-f02aLN>

dination between immigration and refugee protection and the conflicts of policy goals: paradox of the free movement and security.³⁵ In a reorganisation of the European Commission late in 2014, the Home Affairs portfolio was renamed and restructured: the new Directorate-General for Migration and Home Affairs (DG HOME) reflects the higher priority being accorded to the topic.³⁶ In the sense of a better-functioning Union, for the first time, better management of migration is an explicit priority of the European Commission, as presented in the political guidelines of President Juncker: *A new start for Europe*. Migration is a cross-cutting issue, involving different policy areas and different actors, both inside and outside the EU. The new structure and working methods of the European Commission are the first steps toward responding to the challenges and of migration in a truly *comprehensive way*.³⁷

From the institutional legitimacy aspect, it would be the best time to consider the implementation of the idea of the appointment of special representatives on migration for the External Action Service.³⁸

On 20 April 2015, at the Joint Foreign and Home Affairs Council meeting, Dimitris Avramopoulos, Migration, Home Affairs and Citizenship Commissioner presented a ten-point plan of immediate actions to be taken in response to the crisis situation in the Mediterranean. The ten-point action plan on migration aimed at strengthening the existing tools including the Frontex joint operations, the EUROPOL, EASO and EUROJUST, resettlement program, return program and Immigration Officers Network.³⁹ Although, the action plan addressed important measures, some Member States criticized the rescue operations as they deem them as an encouraging factor for migrants. This also confirms the fact that there is no consensus among Member States in this policy area.

The European Commission stressed that migration needs to be better managed in all its aspects. Through the European Agenda on Migration,⁴⁰ the EU aims at providing its Member States with appropriate tools to act so. The Agenda published on 13 May 2015, outlined short, medium and long term priorities and provided for a new, comprehensive approach based on mutual trust and solidarity among EU Member States and institutions. The document includes details on measures which have been included in the ten-point action plan. It foresees an EU-wide resettlement scheme to offer 20,000 places. This scheme will cover all Member States, with distribution criteria such as GDP, size of population, unemployment rate and past numbers of asylum seekers and of resettled refugees, and will take account of the efforts already taken on a voluntary basis by Member States. The EU budget will provide

35 Collett, E. (2013), Facing 2020: developing a new European agenda for immigration and asylum policy. MPI Policy Brief Series, Issue No. 1, p. 1.

36 Collett, E. (2015), The development of EU policy on immigration and asylum. MPI Policy Brief Series, Issue No. 8, p. 2.

37 http://europa.eu/rapid/press-release_IP-15-4545_en.htm

38 <http://www.migrationpolicy.org/news/eu-commissioner-migration>

39 <http://www.europeansources.info/showDoc?ID=1203414>

40 http://ec.europa.eu/dgs/home-affairs/what-we-do/policies/european-agenda-migration/background-information/docs/communication_on_the_european_agenda_on_migration_en.pdf

dedicated funding of an extra EUR 50 million in 2015/2016 to support this scheme. Working in partnership with third countries to tackle migration upstream includes Regional Development and Protection Programmes as well as the migration will become a specific component of ongoing Common Security and Defence Policy (CSDP) missions already undertaken in countries like Niger and Mali, which will be strengthened in border management.

According to the Agenda, more will be done to help deal with the immediate challenge faced by Member States in the frontline of migrant arrivals. The Commission will mobilise an additional EUR 60 million in emergency funding, including to support for the reception and capacity to provide healthcare to migrants in the Member States under particular pressure. Reinforcing the existing tools, European migration liaison officers will be seconded in EU Delegations in key third countries, in close cooperation with the Immigration Liaison Officers Network.

Regarding the use of existing tools, it should be noted that a total of 252,003 third-country nationals were subject to an obligation to leave the EU in 2014 as a consequence of an administrative or judicial decision, which was a 12% increase compared to 2013. In 2014, there were 161,309 third-country nationals effectively returned to countries outside the EU, which was broadly similar to the numbers returned in 2013.⁴¹ It shows that the effectiveness of decisions has deficit.

As outlined by President Juncker in his Political Guidelines, a robust fight against irregular migration, traffickers and smugglers, and securing Europe's external borders must be paired with a strong common asylum policy as well as a new European policy on legal migration. Clearly, this requires an enhanced coherence between different policy sectors, such as development cooperation, trade, employment, foreign and home affairs policies.

Though, the European Agenda on Migration has ambitious plans, François Crépeau, the Special Rapporteur on the human rights of migrants has recently pointed out that the ability of migrants to reach European soil despite a huge investment in securing international borders shows that sealing them is impossible, and only serves to empower human traffickers in the Mediterranean. "If Europe insists on focusing most of its resources on securitization, it will fail to defeat smuggling rings. The European Union must recognize *that irregular migration is a result of policies prohibiting immigration*. Such policies only serve to open a new and lucrative market for smuggling rings, which could not exist without this prohibition."⁴²

3.1.1. *The European Council meeting*

The Conclusions of the European Council meeting emphasized that Europe needs a balanced and geographically comprehensive approach to migration, based on solidarity and responsibility.⁴³ EU leaders agreed to *distribute asylum seekers without binding quotas*.

41 Frontex, Annual Risk Analysis 2015, <http://frontex.europa.eu/publications/>

42 <http://www.un.org/apps/news/story.asp?NewsID=51163#.VYBps0bdVB8>

43 European Commission, Conclusions – 25 and 26 June 2015, EUCO 22/15.

The European Council focuses on three key dimensions: relocation/resettlement, return/readmission/reintegration and cooperation with countries of origin and transit. Accordingly, the European Council agreed to help 60,000 people: the temporary and exceptional relocation over two years from the frontline Member States Italy and Greece to other Member States of 40,000 persons in clear need of international protection. Further on, Member States will participate in the resettling of 20,000 displaced persons from conflict regions, in clear need of international protection.

At the same time, the *EU is at war with the smugglers* who endanger the lives of migrants. On 22 June the Council decided to launch the EUNAVFOR MED mission.

Besides the Mediterranean, the migratory pressure of the Western Balkan route that leads to Hungary was also in the focus at the meeting. The Frontex confirmed that the land route towards Hungary constitutes the main transit route for migrants who entered the EU from Greece and Bulgaria.⁴⁴ The European Council acknowledged the extreme burden on Hungary and Bulgaria. Therefore, these two countries will not participate in the relocation and resettlement measures. As Donald Tusk stated “Since the beginning of the year, a third of asylum seekers have been registered in Hungary, which is more than in Italy”.

3.1.2. Budgetary and capacity demands

More resources at EU and national levels are needed to achieve real solidarity and a better sharing of responsibility between Member States. It is a fact, that Member States in frontline need more official capacity. To deal effectively with the challenges posed by the large number of arrivals in Lesvos and other Greek islands, UNHCR is calling for urgent reinforcement of personnel and resources of all the state services and civil society organisations dealing with the reception of refugees.⁴⁵

For the years 2014–2020, the overall Home Affairs budget amounts to EUR 9.26 billion. The largest part of these resources consists of two big Home Affairs Funds and the remainder (EUR 2.36 billion) is reserved for the funding of the Home Affairs Agencies. With an overall budget of EUR 6.9 billion, the Asylum, Migration and Integration Fund (AMIF) and the Internal Security Fund (ISF) will finance actions supporting EU Home Affairs policies in the period 2014–2020 and through these actions and national programmes build a more open and secure Europe.⁴⁶ With a budget allocation of EUR 96.8 billion for the 2014–2020 period, EU external cooperation assistance, and in particular development cooperation, plays an important role in tackling global issues like poverty, insecurity, inequality and unemployment which are among the main root causes of irregular and forced migration.⁴⁷

44 <http://frontex.europa.eu/news/monthly-analysis-of-migratory-trends-may-2015-f02aLN>

45 <http://www.un.org/apps/news/story.asp?NewsID=51113#.VYBsYEdVB8>

46 http://ec.europa.eu/dgs/home-affairs/financing/index_en.htm

47 http://ec.europa.eu/dgs/home-affairs/what-we-do/policies/european-agenda-migration/background-information/docs/communication_on_the_european_agenda_on_migration_en.pdf

3.1.3. Geopolitics and the Source Countries

In wider geopolitical context, two issues clearly stand out: the conflict in Syria and the continued volatility in North African countries, notably Libya, where migrants often depart from in their attempt to cross the Mediterranean Sea. The large number of displaced Syrians in the Middle East and North Africa suggests that Syria will likely remain the top country of origin for irregular migrants and asylum seekers in the EU for some time to come.⁴⁸ As Ban Ki-moon has noted, the situations in Syria, Iraq, Gaza, South Sudan, the Central African Republic, Ukraine and elsewhere demonstrate *the changing nature and complexity of contemporary conflicts* – repeated cycles of turmoil, exacerbating factors such as extreme poverty, weak institutions or terrorism.⁴⁹ Preventing the instability of countries, with the view on development and aid operations, would help prevent the mass refugee movement, which is one of the “symptoms” of weak or failing states. The threats by failing states were already recognized in the European Security Strategy of 2003, which sounded among regional problems that “Conflict can lead to extremism, terrorism and state failure; it provides opportunities for organised crime.” That is why it is important to understand the logic of refugees’ decisions instead of forcing people into mechanisms that do not respond to their needs as François Crépeau stated. Beyond this, cooperation with third countries is of critical importance in the fight against smugglers and traffickers anyway. The elimination of root causes of irregular and forced displacement in third countries needs political solutions.

48 Frontex, Annual Risk Analysis 2015, <http://frontex.europa.eu/publications/> p. 6.

49 <http://www.un.org/apps/news/story.asp?NewsID=48531#.VYBxYUbdVB8>